

## Redstone Industry Forum Final Questions and Answers

<b>No.                      Question &amp; Answer</b>		
1.	<b>Q:</b>	Will a list of industry forum attendees be made available?
	<b>A:</b>	A list will be available at the registration table as you exit the industry forum. Also, a list of attendees will be posted on the project website.
2.	<b>Q:</b>	What is the process of how fair market value is determined and then agreed upon by the successful developer and the Corps in order to get a lease agreement executed?
	<b>A:</b>	The Army will have an appraisal made of the EUL in an “as is, where is” fashion to determine the value of the property at the start of the deal. The Army will then file away the appraisal. During the Business & Leasing Plan phase, the selected developer and the Army will enter into an open book transaction. The Army and the developer will evaluate the financial pro forma of the project to assess operational cash flow for ground rent. Fair market value has a direct relationship to what the developer is going to build on the land and how it is evaluated. The Army will receive at least fair market value as in-kind ground rent from the project.
3.	<b>Q:</b>	Is the property appraisal based upon the current value or future value after build-out?
	<b>A:</b>	The property appraisal is based on current value of the property. The future value after build-out will be negotiated during the Business and Leasing Plan phase. The Army will run land residuals off of the cash flows provided by the Developer.
4.	<b>Q:</b>	Please consider extending the due date by two weeks to allow for a quality response to be created.
	<b>A:</b>	This request has been evaluated and the proposal deadline is now June 26 at 5:00pm EST. This submission date has also been posted to the project website.
5.	<b>Q:</b>	What is sought by the Army in the Business and Lease Plan?
	<b>A:</b>	The Army wants to know how the project will be accomplished as well as the working relationship with the developer over the 50-year project term. The Business & Lease Plan will outline all major project parameters. The Army expects the Offeror to explain how he will develop the property, the types of tenants the Offeror will bring, and a take-down schedule of the project. Each take-down will be its own 50-year lease. A description of the major elements of the Business & Lease Plan is provided in the NOL. The Army’s enhanced use lease is provided by the Secretary of the Army’s office and has lender acceptance. The Army understands that the selected developer may want to tweak the lease; however, the Army is not willing to write another lease from scratch.
6.	<b>Q:</b>	Will the three proposed parcels remain separate parcels? Will they be contained in one EUL or split up into separate EULs?

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	<b>A:</b>	The Redstone EUL project will be one EUL proposal. The site contains 422 acres, and the Army is looking for a developer who can bring their expertise to develop this entire site.
7.	<b>Q:</b>	In many cases, a government contractor will require an “out” on the lease agreement should the government contract be withdrawn. Does this potential exposure fall only on the private developer or will the Army share the cost?
	<b>A:</b>	All lease agreements will be detailed in the project's ground lease, which will be the controlling legal document governing this real estate transaction. All provisions regarding developer and Army risk, liability, and exposure will be detailed in this document. Discussions regarding the ground lease will occur during the Business & Lease Plan phase of the project. The Army does not guarantee any tenant leases. The Developer is responsible for protecting himself when crafting the 10-year lease with the tenant.
8.	<b>Q:</b>	Will there be any need for retail/services?
	<b>A:</b>	The project is anticipated to be a 422-acre world-class office park. The Army and the developer will discuss all related amenities and ancillary facilities during the Business & Lease Plan phase. It should be noted that all amenities and ancillary facilities will have to be coordinated with Army Air Force Exchange Service (AAFES), Defense Commissary Agency (DeCA), and Morale, Welfare, Recreation (MWR).
9.	<b>Q:</b>	Can you please review the parcels which are intended to be inside the fence and which are not. Is there flexibility to reestablish these boundaries?
	<b>A:</b>	Yes, there will be flexibility with regard to the parcel boundaries. It should be noted that entrance gate is fixed as well as the sub-station. Also, any changes impacting traffic on the installation would need to be coordinated with the installation.
10.	<b>Q:</b>	What is the smaller sensitive area?
	<b>A:</b>	The smaller sensitive area is a cultural resources site. Development of the site is possible, but will require coordination with the installation and regulatory agencies. This can be discussed during the Business & Lease Plan phase.
11.	<b>Q:</b>	Who will cover fire and police on the parcels: Redstone Arsenal or the municipality?
	<b>A:</b>	The installation will provide fire and police services on the installation. The costs of these services applicable to the project will be reimbursed by the developer.
12.	<b>Q:</b>	What is the estimate of the number of contractors currently associated with Redstone (on or off post) and what is the expected number after BRAC is fully implemented?

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	<b>A:</b>	There are an estimated 30,000 people on-post, with roughly 16,000-17,000 being Army contractors. The official number of contractors coming to Redstone as a result of BRAC is not known. Speculation regarding the number of contractors who will move into the area as a result of BRAC anticipates an additional 5,000 people using a 1:1 ratio.
13.	<b>Q:</b>	How is payroll and procurement expected to increase once BRAC is fully implemented in 2011?
	<b>A:</b>	The installation does not have an official dollar figure impact yet, and it has not been provided to the installation by official channels.
14.	<b>Q:</b>	When do you anticipate that the by-pass highway along Rideout Road will be constructed? Do you expect a relocation of the existing gate with the by-pass highway construction? With the EUL construction?
	<b>A:</b>	Redstone has had discussions regarding the by-pass since 1990. In response to a similar question at an economic summit, Gen. Pillsbury said "I don't know." Timing for the by-pass highway is unknown. It is anticipated that if the by-pass does occur then the installation would relocate the gate. Redstone Arsenal leadership supports the bypass.
15.	<b>Q:</b>	What specific plans are in place to expand or re-design the intersection of I-595 and Rideout Road?
	<b>A:</b>	If the by-pass is constructed, then the existing intersection will likely not be sufficient and will need to be reconfigured. This will occur outside the installation on State-owned land. It is not anticipated that Redstone would have control over this decision.
16.	<b>Q:</b>	What new infrastructure will connect this property to the U.S. Space and Rocket Center?
	<b>A:</b>	This EUL project has nothing to do with the Space and Rocket Center. Currently, there are no plans to connect the EUL project to the Space and Rocket Center. Redstone Arsenal is currently discussing constructing a road east of Rideout Road that will service the Space and Rocket Center.
17.	<b>Q:</b>	Can we move/relocate the railroad track? If not totally, can at least the southern portion be moved?
	<b>A:</b>	This issue will be discussed more definitively during the Business & Lease Plan phase. As of now, the installation believes the railhead cannot be removed as a result of an agreement with the railroad company. The installation is searching for the agreement. If the installation determines that no such agreement exists, the installation does not have a problem with the removal of the railhead. The railroad track is rarely used. At present, the railroad company has upgraded track for storage, but the rail yard is unusable today. It is possible to relocate the railhead; however, developers will need to obtain approval from the installation and the railroad.
18.	<b>Q:</b>	Can the present security gate be moved further south?

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<b>No.</b>		<b>Question &amp; Answer</b>
	<b>A:</b>	The installation has recently invested a large amount of money in the gate. The Army will consider any proposal, but the installation would be hard pressed to move the security gate. This will be further discussed during the Business & Lease Plan phase.
19.	<b>Q:</b>	Can the substation be simply enclosed as an “island”?
	<b>A:</b>	Yes. Redstone Arsenal has illustrated a fence going up and around the substation in the EUL site map for security. If you want to enclose the substation for aesthetic purposes, it would be acceptable to the installation as long as the substation is secure and installation access is maintained. .
20.	<b>Q:</b>	Is there evidence of any previous IRP sites with the 422-acre site? Are there any other environmental issues that need to be disclosed?
	<b>A:</b>	The Army believes there are no significant environmental contamination issues within the proposed EUL parcels.
21.	<b>Q:</b>	Because buildings will be located “on-post,” will buildings be required to meet DoD requirements for antiterrorism/force protection, i.e. setbacks, design for progressive collapse, etc.?
	<b>A:</b>	Yes. The Army’s EUL website has a link to DoD’s force protection guidelines which would be applicable to the project.
22.	<b>Q:</b>	Do DoD requirements for antiterrorism/force protection apply to both insecure and secure areas?
	<b>A:</b>	Yes. The antiterrorism and force protection requirements are applicable to the secure and non-secure areas of the installation.
23.	<b>Q:</b>	When will oral presentations by Offerors be required?
	<b>A:</b>	The schedule for oral presentations will not be known until after Offeror proposals are received. For those offerors who are selected for oral presentations, they normally occur one week after the Source Selection Evaluation Board (SSEB) meets.
24.	<b>Q:</b>	Can you clarify the proposal timeline?
	<b>A:</b>	See Q&A #3.
25.	<b>Q:</b>	When does Redstone need the conference center ready?
	<b>A:</b>	This discussion will occur during the Business and Lease Plan.
26.	<b>Q:</b>	Will a building permit or occupancy permit be needed? If so, who provides the permit?

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<b>No.</b>		<b>Question &amp; Answer</b>
	<b>A:</b>	Unlike a typical municipality, the installation does not have a formal permitting process. The installation will help the developer with Army and installation guidelines (including installation design guides and manuals), but there is no formal permitting.
27.	<b>Q:</b>	Will Redstone Arsenal/USACE remove the requirement for total development costs, hard and soft costs, from the development plan section (section 3.9.4)?
	<b>A:</b>	Yes.
28.	<b>Q:</b>	Since the Army will not own the buildings and will not pay directly for them, why are performance bonds required?
	<b>A:</b>	Payment and performance bonds are required to give the Army comfort that the project will be completed in a timely and cost efficient manner. The Army may own the buildings after the expiration of the lease and it will be necessary to ensure that this is a viable and successful project.
29.	<b>Q:</b>	Are “parent” and “holding” companies required to be listed since each company is independently operated and for the reasons stated above (performance bonds)?
	<b>A:</b>	For the evaluation of the offerors, it is important to know who the Army is doing business with. The Army wants to know all offeror entities and who is going to be on point to pay rent. In particular, for the financial evaluation, the Army will want to know all the entities who comprise the Offeror team in order to evaluate the Offeror’s financial capacity and whether the Offeror can financially complete the project.
30.	<b>Q:</b>	Is a full QC and safety plan required since performance bonds and parent/holding company information apply? Is this a very limited plan?
	<b>A:</b>	It will be important for the Army to understand the offeror’s safety plan as safety is an important component of a military base. The intent of this requirement is to give the Army and the installation comfort in how the offeror intends to address safety issues.
31.	<b>Q:</b>	Where can we get a large copy of the EUL parcel aerial as shown on the easel in the lobby?
	<b>A:</b>	We will attempt to put a copy of the aerial map on the project website. If this is not possible, the installation will work with Offerors to see that they receive a map.
32.	<b>Q:</b>	For this EUL project, who provides legal representation to the Corps of Engineers?
	<b>A:</b>	The Corps of Engineers uses in-house counsel.
33.	<b>Q:</b>	Will the Department of the Army be responsible for any NEPA requirements? Are there any waivers from this NEPA mandate?

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<i>No.</i>		<i>Question &amp; Answer</i>
	<b>A:</b>	The Developer is responsible for satisfying all NEPA requirements. There are no waivers from the NEPA mandate.